



U.S. Department
of Veterans Affairs

News Release

Office of Public Affairs
Media Relations

Washington, DC 20420
(202) 461-7600
www.va.gov

FOR IMMEDIATE RELEASE
June 22, 1999

Washington, D.C. -- Secretary of Veterans Affairs Togo D. West Jr. today announced that a Texas veteran and his wife are the recipients of the 16 millionth home loan guaranteed by the Department of Veterans Affairs (VA).

"For 55 years, VA has helped millions of returning servicemembers, veterans and their families realize the dream of owning their own home," said Secretary West.

Since 1944, when President Franklin Roosevelt signed the Servicemen's Readjustment Act into law, the GI Bill, as it is popularly known, has secured more than a half-trillion dollars' worth of financing for veterans' and servicemembers' home loans. In fiscal year 1998 alone, VA guaranteed more than 343,000 loans for mortgages worth more than \$37.9 billion.

The 16 millionth loan will be commemorated June 23 at VA's Loan Guaranty Conference in San Antonio with a ceremonial award to disabled veteran Gregory Lawrence Rhoads. Mr. Rhoads and his wife, Rosita, are first-time home buyers, who used their VA eligibility in combination with an interest rate reduction offered by the Texas Land Board Green Builder Program to obtain a 1,700-square-foot house in Spring Branch, Texas.

Honorably discharged veterans, active-duty members and reservists are eligible for the VA home loan guaranty program, which guarantees up to half the mortgage, depending on the value of the property and whether it is for a conventional house or a manufactured home. The government does not directly loan the money, but guarantees a lender it will stand behind a portion of the loan. Other loan uses can range from remodeling to the installation of solar heating to refinancing a mortgage to a lower interest rate.

One of the most valuable aspects of VA's home loan guaranty benefit is no down payment is required. A subsequent buyer with credit approval may assume the loan under the original terms and the continuing government guaranty.

It is estimated some 29 million veterans and service personnel are eligible for VA-guaranteed financing. Even though many veterans have already used their loan benefits, it may be possible for them to buy homes again using remaining or restored VA loan entitlement.

Veterans, servicemembers and reservists interested in more information about the VA home loan guaranty program may contact VA at 1-800-827-1000. A variety of brochures about the home loan guaranty program and policy and benefit summaries are available electronically on the Internet at www.vba.va.gov/VBA.